Chicago, IL. (June 9, 2011) —Today Rep. Jan Schakowsky (D-IL), Rep. Bobby Rush (D-IL), Rep. Danny K. Davis (D-IL), Rep. Mike Quigley (D-IL) heard testimony from Cook County President Toni Preckwinkle, patients and providers about the negative impact on access to medical, long-term care and the economy caused by deep cuts to federal Medicaid funding.

On April 15, the House passed the Republican budget plan to convert Medicaid into a block grant program and cut funding by half in 2030. If enacted, it would repeal important Medicaid expansion provisions of the Affordable Care Act and gut federal Medicaid spending by \$1.4 trillion between 2012 and 2022. More than \$45 billion would be slashed from the Medicaid budget for Illinois – leading to harmful results for many in need of affordable care, particularly in the Chicago area.

Medicaid is a primary source of health care coverage for pregnant women and children and low-income persons with disabilities. It is less understood, however, that more than one out of every 4 Medicaid dollars is spent on long-term care. Health care providers and representatives from hospital associations warn that unnecessary cuts to Medicaid could mean significant job loss in the Chicago area.

"We have been given clear evidence of the vital role that Medicaid plays in protecting the health and well-being of our community and the deep damage that would be done if federal funding is cut," said Rep. Schakowsky.

"Medicaid is a life-line for pregnant women and children, people living with disabilities and diseases, and middle-class seniors who have exhausted their savings and need long-term care," said Schakowsky. "It creates jobs and helps economic growth. The Republican budget – which slices federal Medicaid spending in half while providing new tax breaks for millionaires and billionaires – is a prescription for disaster. It must be rejected."

"I believe the proposed Medicaid cuts will be devastating to seniors, children and pregnant women," said Rep. Rush. "I know we must reduce the deficit, but we cannot make those reductions at the expense of the most vulnerable citizens of our nation. That is not who we are as Americans. We must find a better way."

"Between 2007 and 2009 as the Great Recession tightened its strangle hold on ordinary Americans the number of uninsured grew by more than 5 million as workers lost jobs with employer-based insurance. Another 7 million signed up for Medicaid. Although the new health care law we passed in the last Congress requires states not to change the rules on who's eligible for Medicaid the states have been forced to reduce Medicaid payments in other ways. In Illinois this has resulted in a huge payment backlog which now threatens the very existence of many health care providers and ultimately threatens the availability of basic, essential health care services to millions," said Rep. Davis.

"As Washington works to address our deficit we must differentiate between cutting waste and slashing services Americans count on," said Rep. Quigley. "The truth about Medicaid is that it provides essential care for seniors and children, and its costs are actually rising slower than private health insurance. Undermining Medicare is tantamount to undermining the health of American communities."

In addition to the Republican budget, other proposals under consideration that would significantly affect Medicaid include caps on aggregate federal spending, caps on entitlements spending or caps on individual mandatory programs like Medicaid.

Attached is a report released by the Energy and Commerce Committee Democratic staff on the impact of Medicaid cuts in the Chicago area. (link)

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